

**MINISTRY:**

**HUMAN SETTLEMENTS, WATER AND SANITATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 761**

**DATE OF PUBLICATION: 06 SEPTEMBER 2019**

**Ms E L Powell (DA) to ask the Minister of Human Settlements, Water and Sanitation:**

What are the details of her department’s immediate plans to address the rapidly increasing housing backlog in the Republic?  **NW1812E**

**REPLY:**

The National Housing assistance programme (Housing Code, 2009) sets the underlying policy principles, guidelines and norms and standards for various key housing delivery programmes to deal with the housing backlog. These housing programmes include the following:

* 1. Integrated Residential Development Programme;
	2. Upgrading of Informal Settlements Programme;
	3. Social Housing and Community Residential Unit Programme;
	4. Finance Linked Subsidy Programme (FLISP), and
	5. Rural Housing Programme.

These housing programmes are funded through various Grants that are either transferred to the Provincial Departments of Human Settlements, Metropolitan Municipalities or some Human Settlements Entities, in particular the Social Housing Regulatory Authority (SHRA) and the National Housing Finance Corporation (NHFC). Provinces receive the Human Settlements Development Grant (HSDG), the Metropolitan Municipalities receive the Urban Settlements Development Grant, and the SHRA receives the Consolidated Capital Grant, while the NHFC receives funding for the Finance Linked Individual Subsidy.

As indicated in the table below, an amount of R18 779 815 000 will be transferred to Provinces in the 2019/20 financial year.

| **Human Settlements Development Grant** |
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| **Provinces** | **2019/20** | **2020/21** | **2021/22** |
| **R`000** | **Total Allocation by province**  | **Total Allocation by province**  | **Total Allocation by province**  |
| EASTERN CAPE | 1 960 278 000 | 1 634 932 000 | 1 631 302 000 |
| FREE STATE | 1 093 166 000 | 917 011 000 | 908 030 000 |
| GAUTENG | 5 164 409 000 | 4 319 346 000 | 4 293 873 000 |
| KWAZULU-NATAL | 3 485 407 000 | 3 100 921 000 | 2 694 924 000 |
| LIMPOPO | 1 301 677 000 | 1 098 807 000 | 1 079 035 000 |
| MPUMALANGA | 1 296 059 000 | 1 091 658 000 | 1 075 145 000 |
| NORTHERN CAPE | 470 262 000 | 403 061 000 | 387 887 000 |
| NORTH WEST | 1 934 947 000 | 1 641 426 000 | 1 601 428 000 |
| WESTERN CAPE | 2 073 610 000 | 1 729 455 000 | 1 725 616 000 |
| **Total** | **18 779 815 000** | **15 936 617 000** | **15 397 240 000** |

The HSDG budget allocation for the 2020/21 and 2021/22 financial years is R15.9 billionand R15.3 billion respectively. The Department will require much more than it is allocated per annum to make a significant impact on the housing backlog.

The R18 779 815 000 billion for 2019/20 will yield over 140 000 new housing opportunities (units and sites), including development planning, supplementary cost for bulk infrastructure in non-metropolitan areas and other related costs such as NHBRC enrolments.

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| --- | --- | --- | --- |
| **Province** | **Sites** | **Units** | **Total Target** |
| **Eastern Cape** | 4 699 | 9 395 | **14 094** |
| **Free State** | 5 617 | 4 785 | **10 402** |
| **Gauteng** | 10 682 | 21 718 | **32 400** |
| **KwaZulu Natal** | 9 101 | 16 791 | **25 892** |
| **Limpopo** | 5 354 | 5 911 | **11 265** |
| **Mpumalanga** | 5 000 | 6 132 | **11 132** |
| **Northern Cape** | 830 | 1 226 | **2 056** |
| **North West** | 7 396 | 9 685 | **17 081** |
| **Western Cape** | 6 486 | 9 723 | **16 209** |
| **SA total** | **55 165** | **85 366** | **140 531** |
| **Source: Approved 2019/20 HSDG Business Plans** |

Furthermore, as indicated on the table below, an amount of R12 045 386 000 billion will be transferred to Metropolitan municipalities in the 2019/20 financial period through the Urban Settlements Development Grant (USDG). This amount is utilised as integrated top-up funding for infrastructure for municipal services and upgrades to urban informal settlements in the eight metropolitan municipalities.

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| **URBAN SETTLEMENTS DEVELOPMENT GRANT** |
| **Municipality** | **2019/20** | **2020/21** | **2021/22** |
| Buffalo City | R817 423 000 | R655 735 000 | R632 538 000 |
| City of Cape Town | Rl 572 724 000 | Rl 276 068 000 | Rl 230 926 000 |
| City of Ekurhuleni | R2 092 514 000 | Rl 694 564 000 | Rl 634 616 000 |
| City of Johannesburg | Rl 968 023 000 | Rl 591 883 000 | Rl 535 569 000 |
| City of Tshwane | Rl 711013 000 | Rl 379 901 000 | Rl 331 086 000 |
| eThekwini | R2 094 441 000 | Rl 690 379 000 | Rl 630 580 000 |
| Mangaung | R813 563 000 | R649 912 000 | R626 921000 |
| Nelson Mandela Bay | R975 685 000 | R778 352 000 | R750 817 000 |
| **TOTAL** | **R12 045 386 000** | **R9 716 794 000** | **R9 373 053 000** |

Additionally, the SHRA and NHFC are allocated R723 and R95 million respectively to delivery on rental accommodation and finance linked housing.

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|  | **PURPOSE** | **2019/20** | **2020/21** | **2021/22** |
| **SHRA** | **Provide for affordable rental accommodation through the** Social Rental Housing Programme | R723 706 000 | R762 747 000 | R804 646000 |
| **NHFC** | Housing subsidy for first-time home buyers to assist with purchasing a home | R95 000 000 | R334 250 000 | R480 000000 |